To: UGU, Harlarwho Attn: UGB

Prens Chief, Fig.

Subject: Approval of templemental project CMBFO
References: 1024-9120, paras 1 and 2; 1034-2131, paras 3 and h.

1. Project CA DIC is approved as a developmental project for the period 1 July 1951 to 31 December 1951. The following amounts are allocated to cover expenses during the period and are to be charged to CABBEAS

Salary

1,750 IN: West

Operating expenses 3,000 CK .ast

- 2. Retroactive approval is granted for payments made to the agent during the period 16 Harch 1751 to 30 June 1951, amounting to 550 DM West and 1,000 DM Mast. These Number will be stanged to MAJJAA.
- 3. A check of available order of battle data on the Behrmacht indicates that the military record supplied by CNIIC in his Labousland is correct with regard to all majorXMXX units. In only a few instances, however, has it been possible to check accurately the extended, location and movement of non-divisional units, especially during the final menths of the war.
- h. CAIDIO'S accounts of the activities from Reventer 1765 to Rarch 1751 are full of centradictions, improbabilities, and implausible statements. In addition the information he has furnished us since the operation began has received a very low evaluation from IC (ICIN-32306). Add to this the East that IOIS evaluated his story as pero Cabrication after catching him in the arter lie (LUNA-12071), and the operation become most suspect. Let us again emphasize the measurable for there it interregation of CAIDIC including the use of CAIDICIA.

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There are additional incomplete of the militar case by There are additional incomplete of the total Milliant where he worked is different in the Lemenday Chem what he told Milliant inconsistencies in them - became carry temperator (Tovenber 1917 or 11 April 1910, etc. Such things can of course to limited on a failing memory but the latter is not an especially good qualification for an agent.

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of a miner in order to coerce him into becoming am "informant". If themissions Russians really did display such an enormous interest in Cambio, would they not have used more of a physical persuasion to convince him to work for themis

b. What type of informing had the Russians intended Cambio todo? Just report on his fellow miners or does it seem apparent that he was to improve the action of the companies of the companies and the companies of the companies o

cusstances which lead to the arrest of estermann in August 1949. Why was
estermann allegedly until things undertaking all these risky subversive
matrix activities? Was it by order of the LDP or did he do not on his own
the out of idealogical motivation? Printing illegal pamphlets for the LEP
is one thing, but sabotage is suite another matter. I presume that when estermann was arrested it was for the publication of clandestine literature and
not for his alleged participation in blowing up the six mine shafts.

b. Boes Cambio have any idea as to mot tipped off the Russian that he was
involved in illegal activities? It is hard to believe that the Russian extract a complete confession from estermann. Yet, we have received no

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CAMBIO: This is no a but the pointest case I have an ear. Right at the beginning I would like mention that once again at appears quite apparent that either we should obtain such more detailed information and background on this case from this CIS, or CIS has sorked on this case in a harrible fashion. I shall attempt to ask questions thing each paragraph of MES-A-9131 individually, Furthermore I shall try to thoughts on this case on paper.

re par.l: a. It does not seem plausible that the MEWB will cut off the salary

communication from the field to the effect htat Cambio 8 maxim and Cambio 18 have been arrested, both of them having participated in the alleged sabotage of the six mines. Was there any article in the newspaperes available to BOB describing these explosions?

e. It is inconceivable that Cambio, a man accused of sabotage and sentenced to 25 years' hard labot, would start his manx sentence in a 'private residence', and if this private residence happened to be Camp Marenka, it is even more inconceivable that the latter installation would not be under heavy guard. Just as incredible is the idea that a man ready to go to jail is allowed to exchange find.

his estmarks into Zenna money, and, furthermore, is not searched and is able to keep the rest of the money in his money belt. Is there anywhere in the place. The history of the Russian occupation of Germany a producent making, such a gentlemently conduct toward a prisoner sentenced to 25 years' hard labor phase.

re par.3. Cambio's pride in relating that the explosion in pit #57 in

Johanngeorgenstadt with which killed 56 miners all of whom were 500% SED

Aktivistem is quite understandable but reminds me very much of the HERSULES

case, especially since he read about it in the paper. The derman newspaper
before marrating his exploits.

re par.384. a. Is there any way we can find out to what extend the Emitish

666 (?) in Elotho debriefed him and what and how much information he

devulged to them? If he related to them the same story he gave us, git seems

strange that the Emitish did not find appromiate use for him; or because

did they immediately classify hims an agent provocateur. If I states

that after his expected job in Aschen did not materialize he left for the

Eastern Zone " to remew his acquaintances". This seems to be quite a daring fact

to undertake ..just to visit friends, empecially when he knew that if caught it would mean 25 years and more at hard labou.

- c. Is Togostrasse 47 the address in Berlin where he found his wife and children on 29 August 1950? In this connection it seems rather strange that the wife of saboteur who escaped ax from the Russians is left unmolested and remains free to go come and go as she pheases.

re par.6. The story of the Seiger counter and Electroscope does not sound very convincing.: a) why did he steal these instruments?

- b) from where did he take them
- c) When was the theft defected; and if so, was an investigation of the theft conducted at Wismit?
- d) Why and whom in Elstertal did he leave the instruments?

Re par.7. Under what circumstances did he lose his job with REWAG in Berlin/
REWALLX Mombit? According to his own statements, Cambio went bank to the EastZone in January and remained until 16 March. This seems to be a rather lengthy
time to spend in "enemy" territory of his own volition. Exactly why did he
go back to the East Zone this time? Mad he intended to gather information
and them try to peddle it to some American intelligence organization? Would it
be possible for _____ to obtain a detailed account of his long stay in the
Sovrome, preferrably day by day and if possible accounting for every hour.?

Indications as they stand right now point directly to a provocation because it is very hard to believe that Cambio can successfully beant his old stomping grounds for somether at a tips withing being noticed by a Russian of the musical informant. Maturally at this point it is very hard to make the configuration of the short question are ensured to make the read the ECIT report a more definite statement and be made and a specific source of action can be advocated.

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